

# Healthy Wisconsin

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Background on Insurance Trends

August 22, 2006



# Presentation Overview: Key Questions

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- ❑ What does the health insurance market look like in Wisconsin today?
- ❑ How is health insurance provided?
- ❑ Who is uninsured?



# Baseline Data for Executive Order Directions

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- ❑ Reduce the number of uninsured
- ❑ Reduce health care premiums
- ❑ Improve the individual and small group market
- ❑ Increase the number of businesses that offer comprehensive, affordable insurance



# Most Wisconsin Residents Are Insured

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- Under Age 65:

- 92% are insured
- 96% of children (0-17) are insured

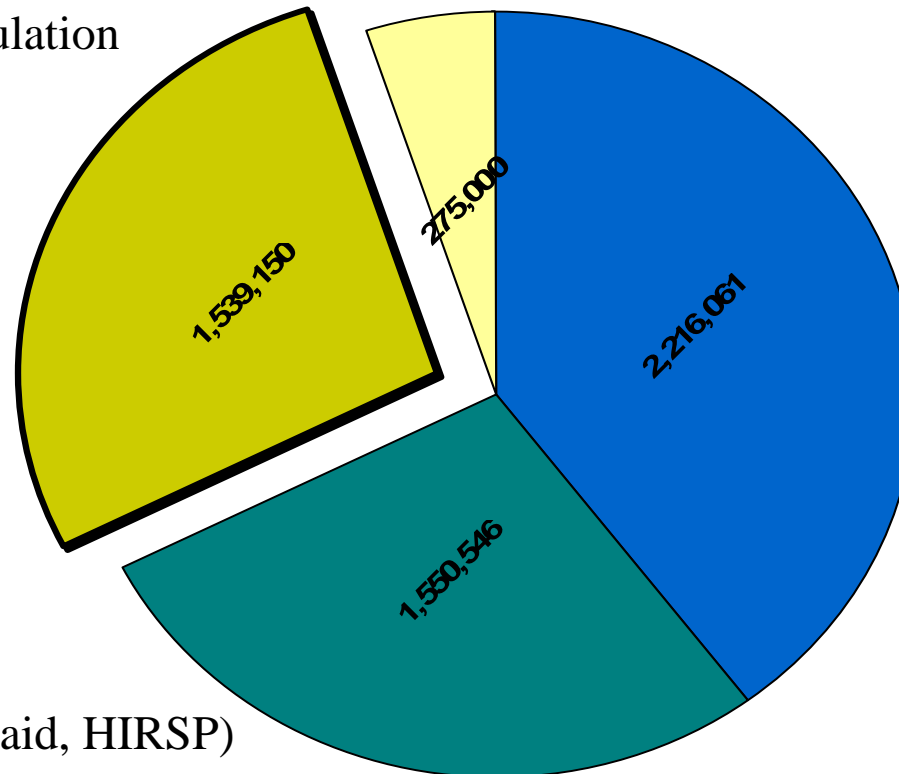
- Age 65 and Older:

- Over 99% are insured

# Wisconsin's Health Insurance Market

**Uninsured (all year)**  
5% of the population

**Commercially insured**  
27.5% of the population



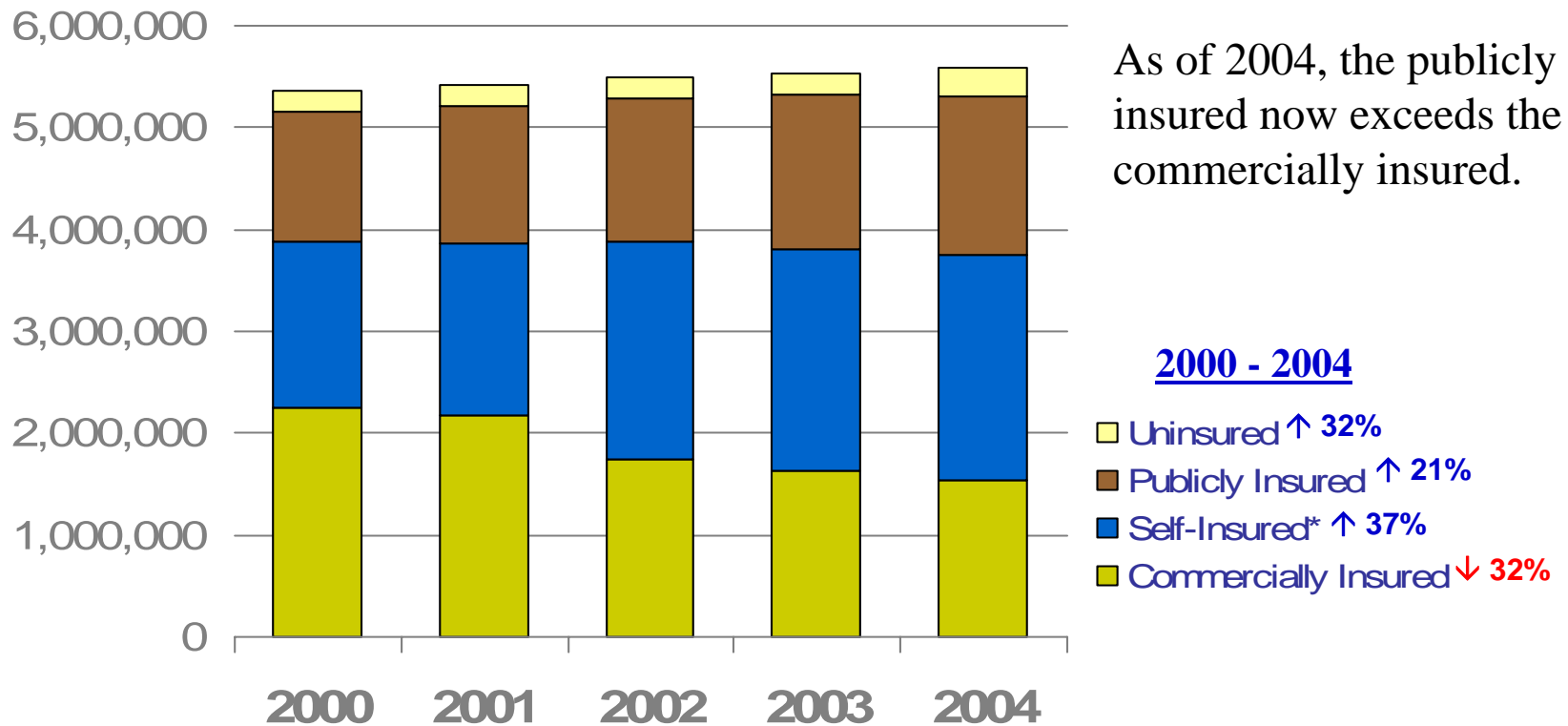
**Self-funded plans\*\***  
39.7% of the population

**Publicly insured**  
(Medicare, Medicaid, HIRSP)  
27.8% of the population

\*2004 Figures

*Wisconsin Association  
of Health Plans*

# The Changing Wisconsin Health Care Market

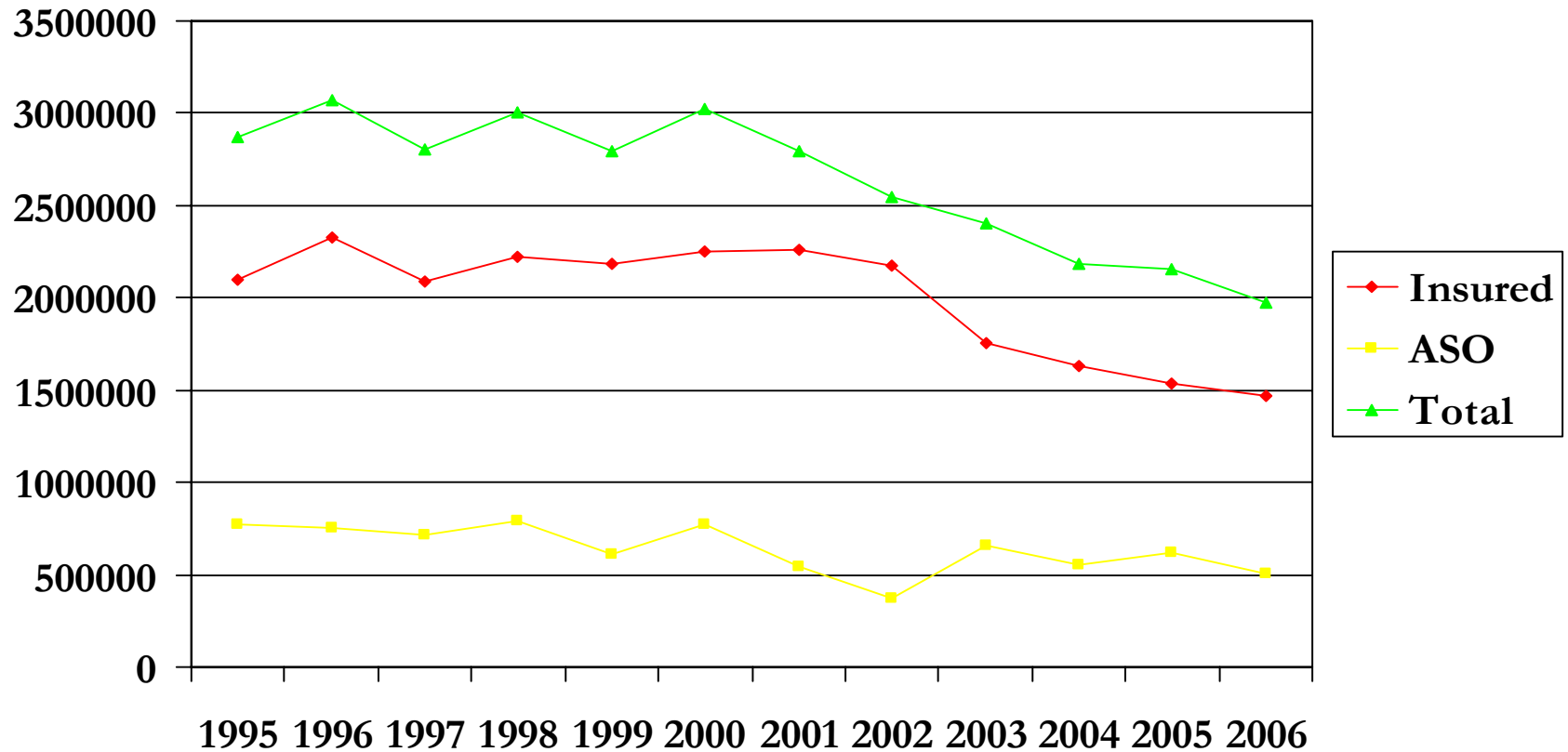


# How does Wisconsin's Health Insurance Market Compare?

## *Wisconsin - National Health Insurance Rankings*

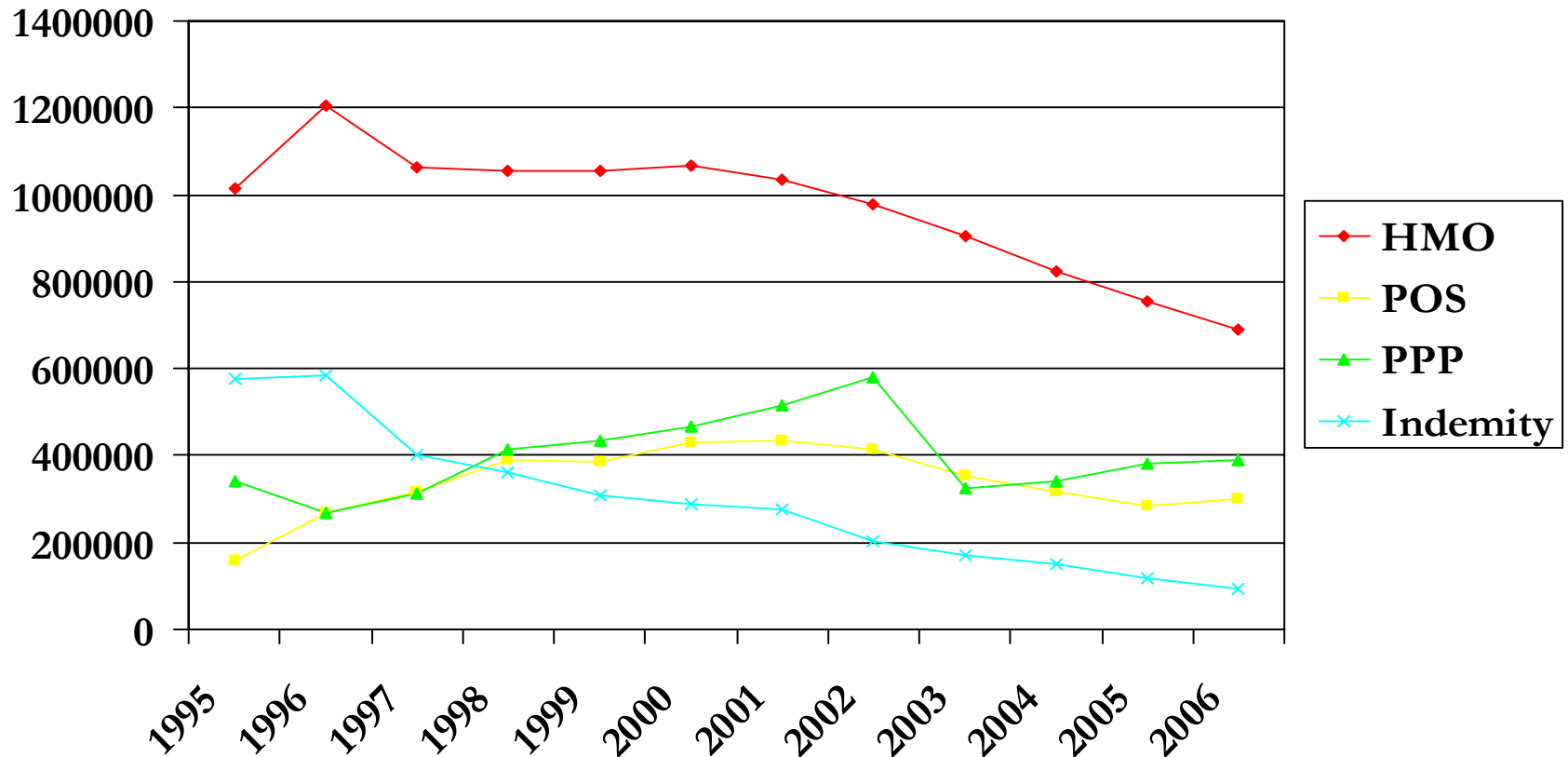
	<i>Rank</i>	<i>Percentage</i>
Population covered by health insurance	4	90%
Population covered by private health insurance	5	76%
Population covered by employer-sponsored insurance	14	65%
Population covered by direct purchase insurance	10	12%
Population covered by government health insurance	36	26%

# Total Commercial Insurance Coverage

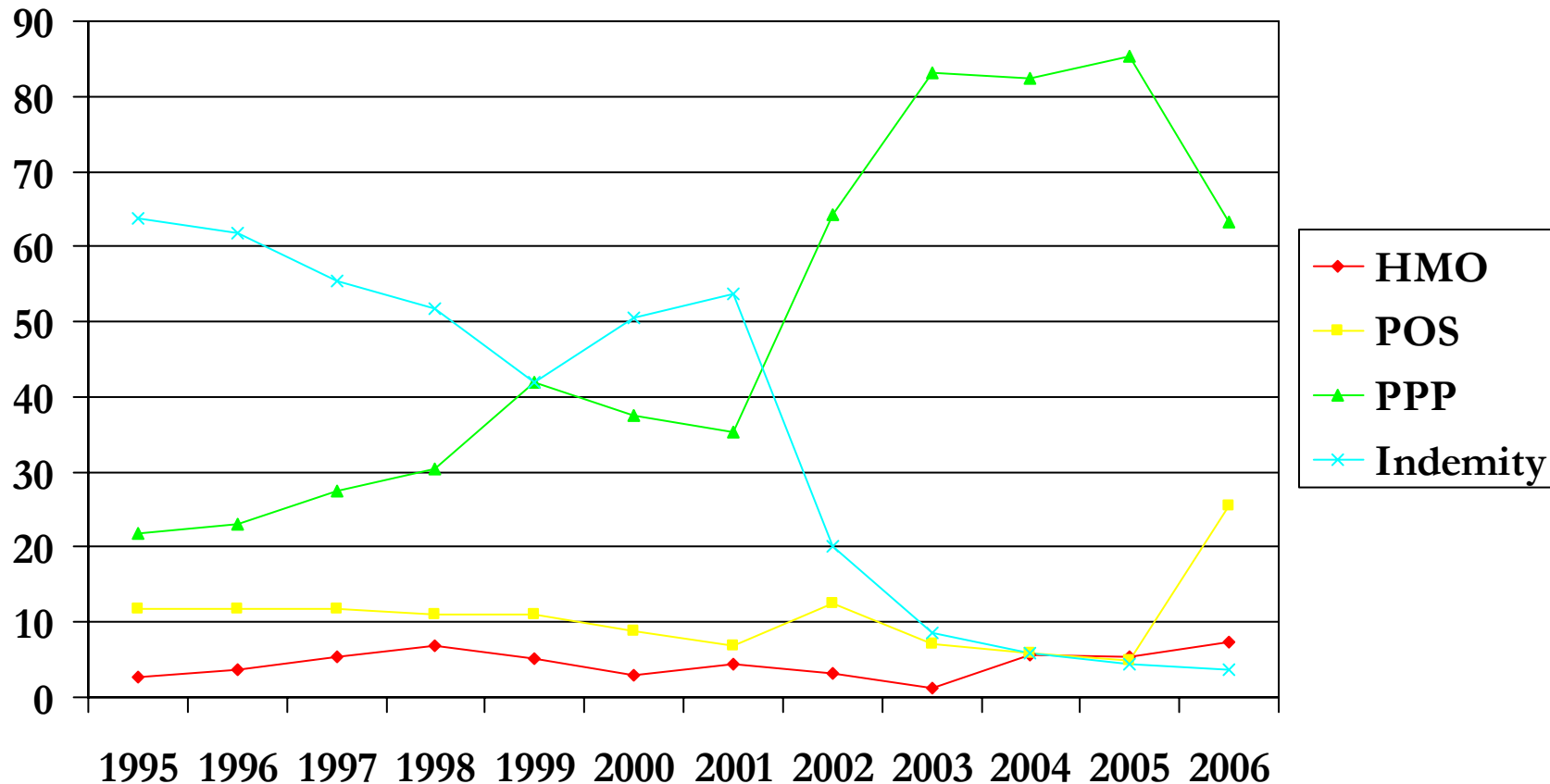




# Insured Coverage by Type of Plan

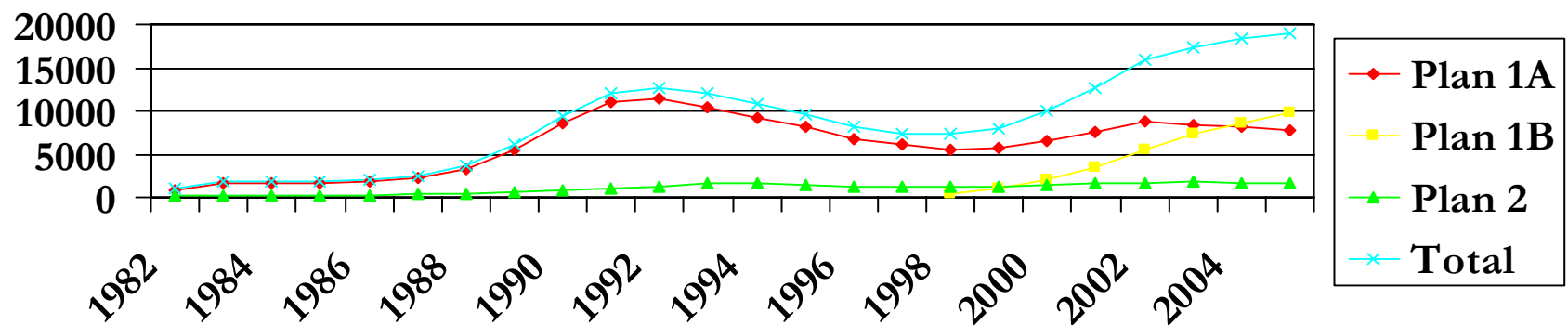


# Percent Coverage for ASO Plans by Type of Plan



# Health Insurance Risk Sharing Plan (HIRSP)

- ❑ Individual coverage for those unable to obtain coverage in private market. Plan administered by HIRSP authority
- ❑ Policyholders pay 60%, Insurers 20%, Providers 20%
- ❑ Benefits in law, subsidies for low-income policyholders
- ❑ Community Rates vary by age, sex, region



# Wisconsin's Uninsured

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- ❑ Wisconsin had 5.3 million residents
- ❑ 377,000 were uninsured at a given point in time (7%)
- ❑ 91,000 children were uninsured for at least a portion of the year.
- ❑ Source:
  - *Wisconsin Health Insurance Coverage, 2004*  
(annual report)
  - <http://dhfs.wisconsin.gov/stats/familyhealthsurvey.htm>

# Young Adults Are More Likely To Be Uninsured

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Age	Number Uninsured	Percent Uninsured
0-17	55,000	4
18-29	139,000	17
30-44	103,000	8
45-64	77,000	6
65+	3,000	<1



# Milwaukee and Farms Have Higher Uninsured Rates

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City of Milwaukee	79,000	13%
Metropolitan Counties*	179,000	6%
Nonmetro Counties	119,000	8%
Living on a farm	49,000	15%

\* Excluding City of Milwaukee



# Low-Income More Likely To Be Uninsured

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<u>Federal Poverty Level</u>	<u>Number</u>	<u>Percent</u>
Less than 150%	134,000	16
150 – 199%	66,000	11
200 – 299%	68,000	8
300% or more	80,000	3
Unknown poverty status	30,000	7

(Based on household size and annual income.)

# Employment and the Uninsured, Ages 18-64

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<b>Ages 18 – 64:</b>	319,000	10%
Employed full time		
<51 employees	65,000	12%
51+ employees	68,000	5%
Employed part time	37,000	11%
Self-employed	36,000	13%
<i>Not in labor force</i>	106,000	15%





# Summary Wisconsin Insurance

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- ❑ Group coverage primarily provided through HMOs
- ❑ Individuals and ASO's coverage primarily provided through PPPs
- ❑ Average growth in premiums for group business has slowed
- ❑ Coverage for some benefits mandated by law



# Executive Order Directions

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# Discussion and Questions

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## Healthy Wisconsin

A Program to Lower Costs and  
Increase Access to Insurance  
for Businesses and Families